

MINERAL LEASES REQUIRE LEGISLATION

Nebraska Supreme Court Favors Plan Of State Board But Says Legislation Is Needed

In an opinion handed down last Saturday, the supreme court of Nebraska decreed that the development of the potash and other mineral deposits on state lands must await the action of the legislature and that laws must be passed permitting the state board of educational lands and funds to issue mineral leases on these lands before they can be developed.

The court held that the present "agricultural" leases do not permit the holders thereof to take minerals—potash, oil etc., from the state lands. It is very probable that the governor will include this matter in his call for the special session of the legislature which starts next Tuesday. Questions which will come up in the passing of laws covering the leasing of state lands for mineral development will include the proposition of pumping from "meander" lakes—lakes owned by two or more parties from which different companies desire to pump; whether or not the leases already granted by the state board should be continued as valid; the term under which state lands should be worked; etc. The pipe line question has already been settled by a bill introduced by Representative Lloyd Thomas of Alliance at the last session of the legislature.

The following article from the Sunday Lincoln State Journal tells of the opinion handed down by the supreme court:

The disposition of the potash in lakes on state school land must wait the action of the state legislature. So decreed the state supreme court in an opinion handed down Saturday. The state board, under this decree, has no power to issue mineral leases to any person until the legislature has prescribed under what terms and in what method such leases may be made. At the same time no person holding school land upon which potash lakes are located has a right to sell or use the potash from those lakes, because under his lease he is forbidden to cause any waste, and this is waste.

In view of this great need of the government for potash in making munitions and in growing crops and the fact that if the state desires to profit as much by its possession of potash on school lands as private capital is doing from potash on privately owned lands, Governor Neville is expected to include in the call for a special session of the legislature a recommendation for legislation that will enable the state board of educational lands and funds to execute valid leases.

The governor some time ago said that he did not contemplate doing so, but the decision tying the hands of the state board and making legislative action necessary puts a new face on the situation. He had a copy of the decision ordered for himself, and will inspect that before taking definite action. The state board has already issued 227 leases, practically all of them on the royalty basis of one eighth of the value of the potash taken. In one lake alone the experts figure there is a million dollar's worth of potash, and this is largely located on state land. It is one of the Briggs lakes and was included in the Ridgell leases.

Potash is selling for from \$80 to \$140 a ton, dependent upon the percentage of potash in the solids sold. This price is very likely to continue as long as the war lasts and for some time afterwards. Over in Germany there are potash mines, where the mineral is taken out inexpensively and under ordinary conditions this can be sold at prices that will make American competition difficult unless production costs can be largely decreased or production afforded it by tariff laws in any event the price, which ranged from \$11 to \$28 before the war, is bound to take a drop when the Germans get back into the market again. For this reason and because of the fact that the demand is for about ten times as much as could be supplied last year, the state will have to hurry if it desires to share in the top prices possible under war conditions.

The suit in which the decision was given was that of the Fawn Lake Ranch company, lessees of state school land in Cherry county, which sought to enjoin Joseph Combow, who holds a mineral lease from the state board of educational lands and funds, from entering upon the land to take out the potash from lakes thereon. Combow won in the lower court, which sustained the right of the board to issue leases.

The state contended in the suit that the granting of leases for agricultural and grazing purposes gave the holder no right to extract minerals or remove the same from the lands covered by the lease. The supreme court upholds this contention, saying that to remove minerals from state land would be to commit waste, which is forbidden by the terms of the lease.

The state further contended that the board of educational lands and funds had the authority to execute mineral leases on school lands already leased for agricultural and grazing purposes. The supreme court says that

it may do so, but only under a specific grant of power by the state legislature which has never yet directed under what terms and conditions mineral leases on school lands shall be executed. It was contended by the attorneys opposing the state that until the legislature had acted, no group of state officers could get together and deal out leases on whatever terms they might deem proper. So both sides lost and both sides won, any good.

what they won does neither of them. The Woods brothers of Lincoln had made arrangements to finance the Ridgell leases, and this decision throws all these leases, back upon the market, or will whenever the legislature takes action to place them up to the highest bidder, when it will be anybody's race. The Woods company, however owns some leases on private lands, and contemplates proceeding with their development. The Western Potash Company has a lease from the owner of the Briggs lease, this having been taken because a big lake on land purchased by it extends over onto state land. Before pumping begins it will be possible to make such terms as will insure the state payment for what it owns.

Under this decision of the court 227 mineral leases issued by the state board of educational lands and funds are annulled. The total fees collected and turned into the state treasury from the holders of these leases is about \$2,000. One is a fee of \$500 from a Pennsylvania oil company, which expects sometime to bore for oil on state land.

The largest fee paid was \$1,000 by W. S. Ridgell, state fire commissioner as president of the Nebraska Refining and Pipe Line company of Valentine. Mr. Ridgell paid a fee of \$1,000 in the form of a cash bonus for a mineral lease on Briggs' lake in Dawes county, when the mineral rights on that tract of land were put up at auction by the state board. The fee charged by the state for a lease to the mineral rights of a section of state land is \$1, together with a fee of \$2 for filing, making a charge of only \$3 for a lease. All leases provide for a one-eighth royalty for the state for all mineral removed from state land.

State land commissioner G. L. Shumway, one of the first state officers to urge the issuance of mineral leases on state lands already under lease for grazing and agricultural purposes, has frequently asserted that there are millions of dollars in mineral leases, if the state can only get lessees to manufacture potash. Thus far the state has derived no revenue from mineral leases in the form of royalty. None of the lessees of potash lakes owned by the state have yet gone into the manufacturing of potash. The potash industry is thriving, apparently, but the brine used in factories is practically all taken from lands owned by private persons.

Hemingford News Items

Miss Nora Hansen is quite ill at her home in this city.

Mrs. John Grounnet of Marsland, visited with friends in town the middle of the week, she returned to her home Thursday accompanied by her uncle, Grove Fosket.

Mrs. Geo. Baker and Miss Helen Greene spent a day in Alliance during the week.

Jim Wilson returned Saturday from a few days trip to Wyo.

Mr. and Mrs. Pruden and son Kenneth autoed over to Gering and Scottsbluffs Sunday.

Miss Hattie Grimes was a west bound passenger to Wyoming Tuesday, to make residence on her homestead.

Miss Mable Gibson closed a successful term of school in the Duhov district near Marsland, Friday, and is spending her vacation with her parents here.

Mr. Geo. Willsey and Clarence Rosenberg made a business trip to Antioch Sunday.

Mrs. John Crossby of Grand Island, is visiting her daughter, Mrs. H. R. Olds this week.

Mrs. Charlie Shinder was shopping in Alliance Saturday between trains.

D. W. Butler autoed to Alliance Tuesday on business.

Several auto loads of Young folks from here autoed to Antioch Saturday night to the big Dedication dance.

Miss Charlotte Katen came up from Alliance Saturday, for a few days visit with her sister, Mrs. C. A. Rosland Mrs. Mul Olds.

H. A. Krutzer was up from Antioch Sunday looking after some business matters here.

M. Isr. R. Walker was a passenger to Alliance Monday on 44 to have

some dental work done. She returned the same afternoon on 43.

Mr. and Mrs. Russell Melick autoed to Alliance Sunday night to the movies.

Mrs. Claude Brown who has been visiting at Van Tassel, Wyo. for some time stopped here over Sat and Sunday for a visit before returning to her home at San Diego Cal.

Word reaches here from Silverton Ore. that Mr. Henry Lichte passed away March 17, 1918, at his home near Silverton. Mr. Lichte was one of the early settlers of Dunlap, Nebr. and was employed by the Government as mail carrier from Dunlap to Hemingford for a number of years. About five years ago he disposed of his property near Dunlap and moved with his family to Oregon where he resided until his death. The family have the sympathy of their many friends here in these hours of sorrow.

Mr. and Mrs. M. C. Beaumont spent the fore part of last week with Mr. and Mrs. D. W. Kenner.

F. W. Melick attended to business matters at the Co. Seat the latter part of the week.

Cough?

Get quick relief take Dr. King's New Discovery. Used 50 years. Checks the cold. Stops the cough. Try it. Sold by all druggists.

Dr. King's New Discovery

for Coughs & Colds

The Evils of Constipation
Leaving waste material in the body poisons the system and blood and makes you liable to sick headaches, biliousness, nervousness and muddy skin. Try Dr. King's New Life Pills. Prompt relief. 25c. At all druggists.

LIVESTOCK PRICES AT SOUTH OMAHA

Fat Cattle Steady to 10c Lower Than Last Week

HOGS MOSTLY 10-15c LOWER

Active and Stronger Market for Both Sheep and Lambs—Supplies Moderate and Demand Broad—Best Lambs, \$18.50. Ewes Bring \$14.15, Wethers \$14.25. All Grades of Feeding and Breeding Stock Wanted.

Union Stock Yards, Omaha, Neb., March 26.—For a Monday the run of cattle was very fair, 9,500 head, and quality was good. The market opened to 10c lower than last week, but later strengthened up and the average was not far from steady. Choice beefs brought \$13.00@13.65. Cows and heifers ruled steady to a shade lower than the close of last week, and the same was true of stockers and feeders.

Quotations on cattle: Good to choice beefs, \$13.00@13.75; fair to good beefs, \$12.00@13.00; common to fair beefs, \$9.75@11.75; good to choice yearlings, \$11.50@12.50; fair to good yearlings, \$10.00@11.00; common to fair yearlings, \$8.50@9.50; good to choice heifers, \$9.50@11.00; good to choice cows, \$9.50@10.50; fair to good cows, \$8.50@9.50; canners and cutters, \$7.00@8.00; veal calves, \$9.00@13.00; bologna bulls, \$7.50@8.50; beef bulls, \$8.50@10.00; prime feeders, \$11.00@12.25; good to choice feeders, \$10.00@11.00; fair to good feeders, \$9.00@10.00; good to choice stockers, \$9.50@11.00; fair to good stockers, \$8.75@9.50; common to fair grades, \$6.50@8.00; stock heifers, \$8.00@10.00; stock cows, \$7.00@9.50; stock calves, \$8.00@10.50.

Hogs Show 10@15c Decline.
A liberal Monday's run of hogs showed up, 14,600 head, and while the demand was broad, prices were largely 10@15c lower than Saturday, the decline being largely on the heavy hogs. Tops brought \$17.05, as against \$17.00 last Monday, and bulk of the trading was at \$16.40@16.75, as against \$16.35@16.75 a week ago.

Sheep and Lambs Higher.
Receipts of sheep and lambs were very moderate for the opening day of the week, about 13,000 head, and with a vigorous demand from all classes of buyers, the market was active and unevenly higher all around. Choice wool lambs brought \$18.50, and ewe lambs for breeding purposes \$18.75. Good ewes sold at \$14.15, and very desirable wethers at \$14.25.

Quotations on sheep and lambs: Lambs, good to choice, \$17.75@18.50; lambs, fair to good, \$17.25@17.75; lambs, heavy weight, \$16.75@17.40; lambs, feeders, \$16.50@17.25; lambs, shorn, \$13.00@14.75; lambs, culls, \$12.00@16.00; yearlings, fair to choice, \$15.00@16.50; wethers, fair to choice, \$13.25@14.75; ewes, fair to choice, \$12.00@14.00; ewes, breeders, all ages, \$12.00@18.50; ewes, culls and canners, \$8.00@10.00.

The Pneumonia Season.

The cold, damp weather of March seems to be the most favorable for the pneumonia germs. Now is the time to be careful. Pneumonia often results from a cold. The quicker a cold is gotten rid of the less the danger. As soon as the first indication of a cold appears take Chamberlain's Cough Remedy. As to the value of this preparation, ask anyone who has used it.

Uncollected.

"Living on Easy Street" is a slang phrase for financial prosperity, or comfortable circumstances. Origin unknown, probably American.

Book Ends.

You could make your own book ends by joining two pieces of metal or wood and then covering it with a cover made of green linen, heavily embroidered in a conventional design.

Unopened?

"Dearest George, if you use such silly language in your next letter as you did in your last, I shall return it unopened."—Orange Peel.

Bell Telephone Service Is for Uncle Sam Before Anyone Else

When war was declared the entire Bell Telephone System—including our equipment and our employees—was placed at the service of the government.

All the great military bureaus, training camps, cantonments, navy yards, munition plants, arsenals and warehouses have been connected by telephone.

The Bell System has organized and furnished to the government fourteen complete battalions of trained telephone men who are either constructing, maintaining and operating telephone lines for the forces in France or are in mobilization camps ready to embark.

A great number of our employees have also joined the national guard or other military organizations or have been drafted. These thousands of trained workers cannot be readily replaced.

The Bell telephone men now with the army in France, recently completed the first all-American telephone system over-seas. Cable dispatches to the press say that it is a great treat for the officers to use an American-built telephone system after trying to talk on the lines in use over there.



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With our working forces depleted, with equipment growing more scarce and telephone materials costing practically double what they did two years ago, our problems are becoming very serious.

When you use the telephone won't you please remember the difficulties under which we are furnishing service?

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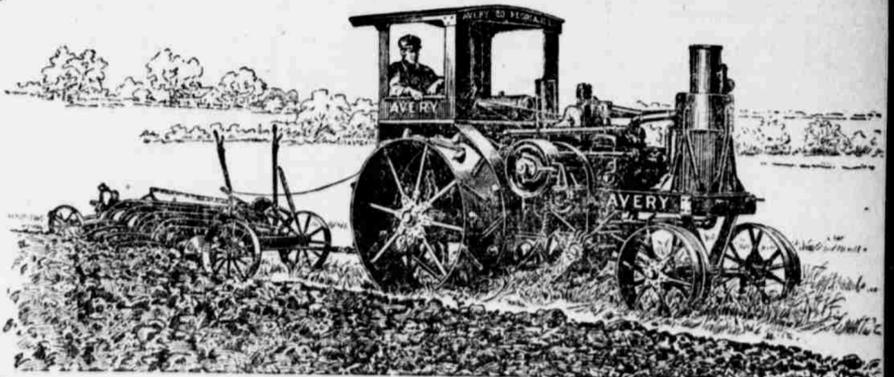
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Avery Tractors are built by a company having over thirty years' experience in building power farming machinery with tens of thousands of Avery machines in operation all over the world, and by a company owning a large factory with branch houses and distributors covering every state in the union and over 60 foreign countries.



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